(d) the present total production and consumption of paper in the country?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) There is no shortage of paper in the country at present. The production of paper and paperboard has been going up in recent years leading to easy availability in the market. The marginal increase in price has to be viewed in the context of the general price trend in the country.

(b) to (d) The production of paper and paperboard during 1986 is estimated at 16 lakh tonnes, which more or less matches the consumption. In order, however, to enable the industry to increase production and improve its capacity utilisation a package of reliefs and concessions has been extended, which include the following:

(i) Units commissioned between 1979 and 1988 are exempted from excise duty upto 50 per cent for 5 years from date of commencement of production.

(ii) Paper containing not less than 75 per cent by weight of pulp made from bagasse is exempted from excise duty.

(iii) Manufacture of paper and paperboard by large/medium/small paper mills using un-conventional raw materials is charged excise duty at concessional rates.

(iv) The facility of payment of excise duty on incremental basis for successive slabs has been extended to the small paper mills from 1-4-1986.

(v) Import of wood pulp, waste paper, chips and logs is placed under OGL and customs duty thereon waived (except for logs and Waste paper which are charged excise duty at 10 per cent).

(vi) Flexibility allowed to the industry to manufacture all varieties of paper and paper grade pulp including paper board/straw board within the overall licensed capacity.

(vii) Requirement of Industrial Licence has been dispensed with in the case of manufacture of writing, printing & wrapping paper from agricultural residues, wastes and bagasse.

(viii) Statutory control over the production, price and distribution of White Printing Paper has been removed from 22nd January, 1987.

**New Industrial Policy**

168. SHRI JERLIE E. TARIANG: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government are working on a New Industrial Policy;

(b) if so, by when the New Industrial Policy will be announced;

(c) whether there is any proposal to allow the public sector to enter some areas which were hithertofore the monopoly of public sector; and

(d) the other steps envisaged to increase industrial production, to improve quality of production and to bring down prices of industrial goods?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) to (c) Industrial Policy Resolution of 1956 which *inter alia* provides for a certain degree of flexibility in regard to manufacture in private sector of items reserved for public sector, continues to provide the basic framework of the policy of the Government in the industrial field.

(d) A number of measures have already been announced by Government such as delicensing of certain groups of industries, broad banding of certain industrial, re-endorsement of capacity with reference to minimum

economic scales of operation, revision of Appendix-I industries, adoption of a simplified procedure for recognition of capacity arising out of modernisation/replacement/renovation of plant and machinery etc. These measures are directed towards greater competition and efficient production which would result in cost reduction and quality improvement.

**Investment made in engineering Industry**

169. SHRI SUKOMAL SEN: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government have made any assessment of investment in real terms made in the engineering industry during the past five years;

(b) if so, the details thereof;

(c) whether the real investment made is satisfactory; and

(d) if not, the action Government propose to take in the matter?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) to (d) Government have not made any assessment of investment in real terms in engineering industry during the past five years. However, according to Annual Survey of Industries the value of invested capital in engineering goods industries during the year 1979-80 to 1983-84 was as follows:

(*Figures in Rs. Crores*)

| | Value of invested capital in engineering goods industries |
|---|---|
| 1979-80 | 12795 |
| 1980-81 | 14529 |
| 1981-82 | 17023 |
| 1982-83 | 19557 |
| 1983-84 | 21354 |

**Decline in scale of homespun Khadi**

170. DR. R.K. PODDAR:
SHRI MOSTAFA BIN QUASEM:
SHRI SUKOMAL SEN:
SHRI M. A. BABY:
SHRIMATI KANAK MUKHERJEE:

Will the Miinster of INDUSTRY be pleased to state:

(a) what are the reasons for the recent decline in the scale of homespun khadi in the current year;

(b) if so, what are the reasons therefor; and

(c) what measures have been taken to protect millions of khadi weavers and what is the plan for their rehabilitation?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) to (c) The peak season for sale of khadi begins with Gandhi-Jayanti in October which lasts for four to five months a year. During the season a special rebate in addition to standing rebate is being given for a period of 900 days. Reports of sale of khadi during the current year, so far, does not indicate any decline compared to the corres pending period of last year.

**Withdrawal of production control order on paper industry**

171. SHRI MAHENDRA PRASAD:
DR. RATNAKAR PANDEY:
SHRI MURLIDHAR CHANDRAKANT BHANDARE:

Will the Minister of INDUSTRY be pleased to state:

(a) whether Government have withdrawn the production control order on paper industry to help it resolve its